



Department of Justice

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SPRINGBORO MAN PLEADS GUILTY TO MAIL FRAUD

Defrauded homeowners on verge of foreclosure

DAYTON - Randall L. Webb, age 50, of Springboro pleaded guilty in United States District Court here today to mail fraud for soliciting homeowners who were in danger of losing their homes through foreclosure, and falsely promising them he could provide affordable solutions and assistance to enable the homeowners to keep their homes and not put them in a more difficult position.

Gregory G. Lockhart, United States Attorney for the Southern District of Ohio; Habbo G. Fokkena, United States Trustee, Region 9, (Ohio/Michigan); Keith L. Bennett, Special Agent in Charge, Federal Bureau of Investigation, Cincinnati Field Division; and Gerald A. O'Farrell, Assistant Inspector In Charge, U.S. Postal Inspection Service, announced the plea entered today before Senior United States District Judge Walter Herbert Rice.

Judge Rice set Webb's sentencing for February 4, 2008, at 11 a.m. Mail fraud carries a maximum possible sentence of 20 years imprisonment, although the advisory sentencing guidelines issued by the U.S. Sentencing Commission, which the Court must consider at the time of sentencing, are expected to call for a lower sentence. Webb also agreed to make full restitution to victims. At the time of the plea agreement, the loss was estimated at \$5,000.

According to a statement of facts filed with the plea agreement, Webb sent flyers under the name "American Foreclosure Group LLC" to homeowners in the Dayton and Cincinnati areas offering to help them save their homes from foreclosures and sheriff's sales. Webb met with homeowners who responded to his ads and promised to help them save their homes in exchange for a fee of between \$600 and \$700 that he collected up front. Webb instructed the homeowners not to contact their mortgage companies, and that he would instead contact and negotiate with the mortgage companies on behalf of the homeowners. Upon payment of Webb's fee by the homeowners, he would typically cause to be prepared and filed a bankruptcy petition on behalf of the homeowners, sometimes

without the knowledge or consent of the homeowners, and without taking other substantial measures to prevent foreclosures or otherwise assisting the homeowners avoid foreclosure. Webb promised at least one homeowner that he would seek to create new payment plans with the homeowner's mortgage company and make mortgage and arrearage payments on the owner's home loan with money provided to him. Webb failed to forward the funds to the mortgage company.

"Scams like this prey on people when they are most vulnerable," Lockhart said. "Homeowners facing these dire straits are urged to consult with an attorney experienced in bankruptcy and foreclosure matters."

The U.S. Trustee Program maintains an Internet hotline for reporting suspected fraud involving bankruptcy. Members of the public can report suspected bankruptcy fraud via email to USTP.Bankruptcy.Fraud@usdoj.gov. The U.S. Trustee Program is the Department of Justice component that promotes and protects the integrity of the bankruptcy system.

Lockhart commended the cooperative investigation by agents of the FBI and Postal Inspectors, as well as Special Assistant U.S. Attorney Dean P. Wyman from the U.S. Trustee's Office, who assisted with the prosecution of the case.

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